Research Team
(603) 7890 8888
research.dept@apexsecurities.com.my

Global Markets	Close	Change	5-Day Trend
Dow Jones	39,671.04	-0.51%	
S&P 500	5,307.01	-0.27%	
Nasdaq	16,801.54	-0.18%	
FTSE 100	8,370.33	-0.55%	
Nikkei 225	38,617.10	-0.85%	
Shanghai Composite	3,158.54	0.02%	
Shenzhen	9,693.06	0.12%	
Hang Seng	19,195.60	-0.13%	
SET	1,370.83	-0.57%	
JCI	7,222.38	0.51%	
Malaysia Markets			
FBM KLCI	1,622.09	-0.33%	
FBM Top 100	11,951.25	-0.32%	
FBM Small Cap	19,099.23	-0.39%	
FBM ACE	5,423.37	0.07%	
Market Activities			
Trading Volume (m)	5,429.55	-22.3%	
Trading Value (RM m)	4,226.42	-3.2%	
Trading Participants	**Change**		
Local Institution	101.89	46.77%	
Retail	-75.71	21.26%	
Foreign	-26.18	31.97%	
Market Breadth	**No. of stocks**		5-Day Trend
Advancers	477	39.9%	
Decliners	719	60.1%	
Commodities			
FKLI (Futures)	1,622.50	-0.28%	
3M CPO (Futures)	3,868.00	-1.35%	
Rubber (RM/kg)	797.50	1.46%	
Brent Oil (USD/bbl)	81.90	-1.18%	
Gold (USD/oz)	2,414.82	-1.42%	
Forex			
USD/MYR	4.6968	-0.23%	
SGD/MYR	3.4876	0.01%	
CNY/MYR	0.6488	0.06%	
JPY/MYR	3.0025	0.19%	
EUR/MYR	5.1002	0.12%	
GBP/MYR	5.9727	0.05%	

Source: Bloomberg, Apex Securities

Profit taking preludes

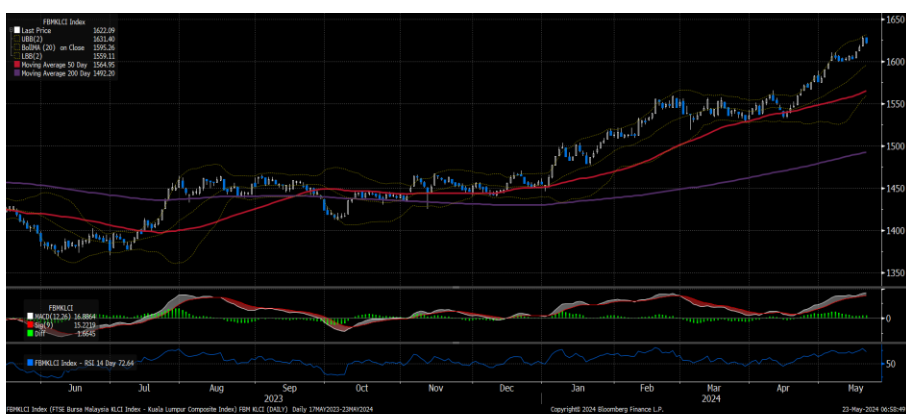
Market Review & Outlook

- **Malaysia Market Review.** The FBM KLCI (-0.33%) halted a three-day winning run as profit taking took precedence in two third of the key index components ahead of the mid-week break. The lower liners also closed mostly downbeat, with the Technology (+0.55%) and REIT (+0.45%) sector outperformed the negative sectorial peers.

- **Global Markets Review.** US stock markets experienced a setback as the Dow slipped -0.51% after the US Federal Reserve signals no rush to cut interest rates in the latest FOMC minutes meeting. Similarly, European stock markets turned downbeat, while Asia stock markets ended mostly in red.

- **Market Outlook.** Expectedly, the local bourse's rally took a pause with investors locking in recent gains ahead of the mid-week break. We expect a consolidation to take shape with the key index looking to defend the 1,600 level with foreign funds turning into net selling position. The lower liners are also bracing for an extended pullback as investors turn their attention towards the on-going batch of corporate earnings releases. Further weakness is expected to be reinforced by the hawkish US Federal Reserve stance in the latest FOMC minutes meeting. We expect gloves-related stocks to march higher in view of the improved financial performance delivered by Hartalega and Kossan. Meanwhile, the REIT sector that is defensive in nature may turn popular amid the potential renewed volatility.

FBM KLCI Technical Review & Outlook



Source: Bloomberg

- **Technical Commentary**: The FBM KLCI formed a bearish candle as the key index rejected the upper Bollinger Band. Indicators, however, stayed positive as the MACD Line trends above the Signal Line, while the RSI hovered above the overbought level. The immediate resistance is located at 1,650. Support is envisaged around 1,580.

Company News *(source: various)*.

- **Sime Darby Property Bhd**'s (SimeProp) net profit more than doubled in the first quarter ended March 31, 2024 (1Q24) as it hit a record-high 1Q revenue since its demerger from its then parent in 2017.

- **Pos Malaysia Bhd** is selling its ship-chartering unit that mainly deals with bulk cargoes for RM123.21 million as part of a move to shed non-core businesses.

- **Hartalega Holdings Bhd** notched a turnaround in its final quarter, thanks partly to a provision reversal that also helped to bring the world's second-largest glovemaker by volume back into the black for the year.

- **Kossan Rubber Industries Bhd** has posted its third consecutive quarter of profits in the first quarter, thanks to higher sales volume and lower natural gas prices.

- **Hong Seng Consolidated Bhd**'s previously suspended plan to expand its glove business seems to be back on the table as the group eyes an alternate, albeit smaller, site for a synthetic rubber manufacturing plant in Kedah Rubber City.

- **Sunway Bhd** reported a 21.6% year-on-year increase in its first-quarter net profit, driven mainly by stronger performance from the property development and healthcare segments.

- **Petronas Dagangan Bhd**'s net profit for the first quarter ended March 31, 2024 (1QFY2024) fell 25% y-o-y to RM226.04 million, from RM301.84 million previously, due mainly to higher product cost and operating expenditure.

- **Affin Bank Bhd** said its net profit down was 26% lower y-o-y in the first quarter, on lower net interest income and other income.

- **Bank Islam Malaysia Bhd** net profit increased 9.4% for the first quarter ended March 31, 2024 (1QFY2024) from a year earlier, driven by higher net fund-based income and lower net allowances for impairment on financing.

- **Hibiscus Petroleum Bhd**'s net profit climbed by 42.37% to RM101.81 million in the third quarter ended March 31, 2024 (3QFY2024), from RM71.51 million a year ago, driven by strong oil and condensate prices of over US$90 (RM421.68) per barrel.

- **LBS Bina Group Bhd**'s net profit rose by a marginal 0.11% to RM30.53 million in the first quarter ended March 31, 2024 (1QFY2024), from RM30.5 million a year earlier, helped by increased contribution from its property development business.

- **Lagenda Properties Bhd** is buying 855 acres of freehold land in Kuala Muda, Kedah for RM148.98 million to capitalise on the demand for affordable housing.

Weekly Corporate Actions

Company	Corporate Actions	Entitlement	Ex-Date	Last Price (RM)	Dividend Yield
Ppb Group Bhd	Final	0.3	20/5/2024	15.42	19%
Ranhill Utilities Bhd	Stock Dividend	1:200	20/5/2024	139	-
Tomei Consolidated Bhd	Final	0.04	20/5/2024	2.08	19%
United U-Li Corp Bhd	Interim	1:2	23/5/2024	175	11%
Idb Technologies Bhd	Interim	0.002	23/5/2024	0.185	11%

Source: Bloomberg, Apex Securities

Weekly Economic Highlights

Date	Country	Key Events
Wednesday, 22 May, 2024	JP	Machinery Orders
	UK	Inflation Rate
	US	Existing Home Sales
Thursday, 23 May, 2024	US	FOMC Minutes
	US	New Home Sales
Friday, 24 May, 2024	JP	Inflation Rate
	MY	Inflation Rate
	UK	Retail Sales
	US	Michigan Consumer Sentiment (Final)

Source: TradingEconomics, Apex Securities

Futures Markets

Futures Kuala Lumpur Composite Index

	Jun	Jul	Aug	Sep
CHANGE	-5	-5	-6	-6
OPEN	1,628	1,632	1,621	1,627
High	1,633	1,634	1,623	1,629
Low	1,621	1,623	1,610	1,618
Settle	1,623	1,624	1,612	1,618
Volume	7,305	1,372	90	37
O.I.	41,159	2,490	888	149

Futures Crude Palm Oil

	Jun	Jul	Aug	Sep
CHANGE	-65	-56	-55	-55
OPEN	3,901	3,916	3,917	3,920
High	3,939	3,962	3,964	3,965
Low	3,831	3,858	3,862	3,870
Settle	3,836	3,864	3,868	3,875
Volume	2,613	12,769	34,515	9,894
O.I.	9,343	42,286	48,622	30,446

Top Market Participants

LOCAL			FOREIGN		
Stocks	**Value**	**Price**	**Stocks**	**Value**	**Price**
MAYBANK	194250767	9.990	PBBANK	154028567	4.190
FEYTECH	193564507	1.100	TENAGA	140007910	12.780
TM	147337554	6.490	AIRPORT	128804728	10.060
PBBANK	122894438	4.190	YTLPOWR	122089610	5.380
TENAGA	100410916	12.780	MAYBANK	116465914	9.990
CIMB	96993150	6.840	CIMB	113200337	6.840
AIRPORT	85450172	10.060	GAMUDA	99283783	5.830
YTLPOWR	84994661	5.380	YTL	90004782	3.820
INGENIEU	81254589	0.070	SUNWAY	62030304	3.660
NOTION	76984043	1.010	TOPGLOV	61833219	1.190

RETAIL			INSTITUTION		
Stocks	**Value**	**Price**	**Stocks**	**Value**	**Price**
FEYTECH	88151139	1.100	MAYBANK	294258840	9.990
NOTION	47050570	1.010	PBBANK	232695067	4.190
GENETEC	39114545	2.290	TENAGA	223328890	12.780
INGENIEU	34582802	0.070	CIMB	205837405	6.840
HARTA	30802446	3.590	AIRPORT	192498465	10.060
TANCO	28775045	0.875	TM	165758365	6.490
TOPGLOV	27452334	1.190	YTLPOWR	165292912	5.380
PERTAMA	26309041	2.380	GAMUDA	129157095	5.830
YNHPROP	26296283	0.475	YTL	119717896	3.820
YTLPOWR	24351199	5.380	FEYTECH	116055611	1.100

APEX SECURITIES BERHAD – CONTACT LIST

APEX SECURITIES BHD

Head Office:
5th Floor Menara UAC, 12, Jalan PJU 7/5,
Mutiara Damansara,
47800 Petaling Jaya,
Selangor Darul Ehsan, Malaysia

General Line: (603) 7890 8899

Petaling Jaya Office:
16th Floor, Menara Choy Fook Onn,
No.1B Jalan Yong Shook Lin,
46050 Petaling Jaya,
Selangor Darul Ehsan, Malaysia

General Line: (603) 7620 1118

DEALING TEAM

Head Office:
Kong Ming Ming (ext 2002)
Shirley Chang (ext 2026)
Norisam Bojo (ext 2027)
Ahmad Mujib (ext 2028)

Institutional Dealing Team:
Siti Nur Nadhirah (ext 2032)

PJ Office:
General Line: (603) 7620 1118
Azfar Bin Abdul Aziz (Ext 822)

RESEARCH TEAM

Head Office:
Kenneth Leong (ext 2093)
Steven Chong (ext 2068)
Jayden Tan (ext 2069)
Chelsea Chew (ext 2070)

RESEARCH RECOMMENDATION FRAMEWORK

STOCK RECOMMENDATIONS
BUY: Total returns* are expected to exceed 10% within the next 12 months.
HOLD: Total returns* are expected to be within +10% to – 10% within the next 12 months.
SELL: Total returns* are expected to be below -10% within the next 12 months.
TRADING BUY: Total returns* are expected to exceed 10% within the next 3 months.
TRADING SELL: Total returns* are expected to be below -10% within the next 3 months.
*Capital gain + dividend yield

SECTOR RECOMMENDATIONS
OVERWEIGHT: The industry defined by the analyst is expected to exceed 10% within the next 12 months.
NEUTRAL: The industry defined by the analyst is expected to be within +10% to – 10% within the next 12 months.
UNDERWEIGHT: The industry defined by the analyst, is expected to be below -10% within the next 12 months.

DISCLAIMER